

EXECUTIVE SUMMARY

Puget Sound Energy's Annual Report of 2013 Conservation Accomplishments

Puget Sound Energy's ("PSE's" or "The Company's") Energy Efficiency¹ Department presents this Annual Report of 2013 Energy Efficiency program accomplishments and activities, satisfying condition (8)(g) of Commission Order 01, Docket No. UE-111881, and requirements enumerated in the Commission's second supplemental order in Docket No. UE-970686. The report is associated with the Electric and Gas Conservation Riders Conservation funding. It discusses activities, initiatives and accomplishments completed in the second year of this 2013-2013 biennium.

Table 1a presents 2013 Portfolio-level savings and expenditure figures for electric and natural gas conservation programs. The Portfolio-level Total Resource Cost (TRC) benefit-to-cost ratios, including a 10 percent conservation credit, are also presented.

Table 1a: Energy Efficiency 2013 Savings, Expenditures and TRC Results

2013	Savings	Expenditures	Total Resource Cost
Electric (MWh)	361,400 41.3 aMW	\$98,616,000	1.74
Goal/Budget	333,497 (38.1 aMW)	\$94,401,000	
Percent	108.4%	104.5%	
Gas (Therm)	6,538,000	\$11,920,000	1.64
Goal/Budget	4,649,000	\$13,181,000	
Percent	140.6%	90.4%	

361,400 MWh divided by 8,760 hours = 41.3 aMW
Savings are stated in terms of first-year annual figures, at the customer meter, without line losses.

¹ Prior to 2013, the Energy Efficiency department was known as Customer Solutions/Energy Efficiency or Energy Efficiency Services.

Key drivers of savings and expenditure results include the incorporation of new technologies and measures, application of innovative customer communications, implementation of system and reporting enhancements, and the engagement of value-chain constituents. These results are discussed in the program detail chapters that follow.

Tables 2a and 2b provide Sector-level views of electric and gas savings results, and electric and gas expenditures, respectively.

Table 2a: Energy Efficiency 2013 Savings Results by Sector

2013	Residential	Business	Regional	Total
Electric (MWh)	172,900	167,700	20,700	361,300
2013 Goal	149,000	157,000	27,500	333,500
Percent	116.0%	106.8%	75.3%	108.3%
Gas (Therm)	1,601,000	4,937,000	na	6,538,000
2013 Goal	2,006,000	2,643,000		4,649,000
Percent	79.8%	186.8%		140.6%

Please note that the "Total MWh" indicated in Table 2a is a result of adding already-rounded Sector totals. This operation causes an apparent discrepancy with Table 1a, which indicates a Portfolio savings amount of 361,400 MWh. The actual 2013 electric savings is 361,392 MWh.

Table 2b: Energy Efficiency 2013 Expenditures by Sector

2013	Residential	Business	Regional	Portfolio Support	Research & Compliance	Other Electric	Total
Electric	\$50,107,000	\$37,588,000	\$4,575,000	\$2,585,000	\$3,297,000	\$464,900	\$98,616,900
2013 Budget	\$42,477,000	\$38,522,000	\$5,261,000	\$3,568,000	\$3,738,000	\$835,000	\$94,401,000
Percent	118.0%	97.6%	87.0%	72.4%	88.2%	55.7%	104.5%
Gas	\$6,313,000	\$4,649,000	na	\$427,300	\$529,500	na	\$11,918,800
2013 Budget	\$6,863,000	\$4,987,000		\$554,000	\$777,000		\$13,181,000
Percent	92.0%	93.2%		77.1%	68.1%		90.4%

Overall total amounts may be different that those presented in Exhibit 1 due to multiple rounding.

Functional Group Performance

Table 9a provides a 2013 year-to-date summary of expenditures and energy savings for the Support Activities team.

Table 9a: Support Activities 2013 Expenditures

2013 Expenditures		2013 Actuals		2013 Budget
Schedule	Programs	Total	% of Budget	
Electric	Electric			Electric
Gas	Gas			Gas
	Customer Engagement and Education	\$ 1,092,488	71.9%	\$ 1,519,182
	<i>Energy Advisors</i>	\$ 799,910	73.8%	\$ 1,083,272
	<i>Events</i>	\$ 194,324	65.3%	\$ 297,419
	<i>Brochures</i>	\$ 43,307	79.8%	\$ 54,250
	<i>Education</i>	\$ 54,947	65.2%	\$ 84,241
	Web Experience	\$ 958,557	96.0%	\$ 998,686
	<i>Customer Online Experience</i>	\$ 497,970	78.8%	\$ 632,000
	<i>Automated Benchmarking Support</i>	\$ 169,440		\$ -
	<i>Market Integration</i>	\$ 291,147	79.4%	\$ 366,686
	Energy Efficient Communities	\$ 264,034	69.3%	\$ 380,885
	Trade Ally Support	\$ 30,955	49.7%	\$ 62,300
	Market Research	\$ 238,971	39.3%	\$ 608,239
	Total Electric	\$ 2,585,005	72.4%	\$ 3,569,292
	Customer Engagement and Education	\$ 125,340	54.1%	\$ 231,679
	<i>Energy Advisors</i>	\$ 61,161	37.8%	\$ 161,692
	<i>Events</i>	\$ 48,047		\$ 48,329
	<i>Brochures</i>	\$ 7,776	95.2%	\$ 8,169
	<i>Education</i>	\$ 8,355	61.9%	\$ 13,489
	Web Experience	\$ 198,813	132.6%	\$ 149,922
	<i>Customer Online Experience</i>	\$ 77,265	81.2%	\$ 95,130
	<i>Automated Benchmarking Support</i>	\$ 71,530		\$ -
	<i>Market Integration</i>	\$ 50,019	91.3%	\$ 54,792
	Energy Efficient Communities	\$ 71,253	125.2%	\$ 56,915
	Trade Ally Support	\$ -	0.0%	\$ 25,000
	Market Research	\$ 31,883	35.1%	\$ 90,883
	Total Gas	\$ 427,289	77.1%	\$ 554,399